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COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE
REFER TO FILE: FI-3

TO: Each Supervisor
FROM: Dean D. Efstathiou ^{DDE}
Acting Director of Public Works

FISCAL YEAR 2008-09 GENERAL FUND UNMET NEEDS

As requested, we have reviewed our General Fund programs to determine where we have unmet needs for critical services. These additional funding requests for the following programs were also included in our Fiscal Year 2008-09 General Fund Official Budget Requests.

PROPERTY REHABILITATION AND CODE ENFORCEMENT

We are requesting additional net County cost funding of \$4.914 million for our Property Rehabilitation and Code Enforcement Program.

In our 2007-08 County Engineer General Fund Budget, we requested additional funding to be phased over three years for our Property Rehabilitation/Nuisance Abatement Team (NAT) and Code Enforcement Programs. Each of the three phases included a request for increased and sustained funding to enhance services in these Programs. The funding was requested as follows:

- Phase 1 (2007-08) \$3.5 million
Expand the existing Property Rehabilitation/NAT staffing levels to increase our current caseload of 3,600 cases to an anticipated 5,500 cases per year.
- Phase II (2008-09) \$7 million
Expand current Code Enforcement activities through the creation of a new Code Enforcement Section. Upon completion of Phase II, we anticipate the ability to pursue approximately 2,100 cases of unpermitted construction per year.
- Phase III (2009-10) \$10.6 million
Add staff to the newly created Code Enforcement Section in order to reach a goal of pursuing approximately 4,200 cases of unpermitted construction per year.

For Fiscal Year 2007-08, Public Works was allocated \$2.086 million (instead of the requested \$3.5 million) to increase our Property Rehabilitation/NAT staffing. Due to the reduced funding, we were unable to increase program staffing by the recommended 18 positions. Instead, the money was used to cover the cost of salaries of a maximum of 13 additional staff. As a result, we estimate our caseload for Fiscal Year 2007-08 to increase from 3,600 to 5,100 cases. While this is a significant improvement in public service, it did not meet our anticipated goal of 5,500 cases.

As the amount allocated was short of the requested \$3.5 million, the additional cost of training (formal six-month building inspector curriculum) and supervision had to be funded by new construction building permit fees. We anticipate that building permit fee revenue to subsidize the cost of this program will be unavailable beginning in Fiscal Year 2008-09 due to the severe downturn in the building industry.

The success of the Property Rehabilitation and Code Enforcement Programs is directly related to the number of staff available to perform the work. In order to ensure the success of these programs, it is desired to both complete the staffing of the Property Rehabilitation/NAT in Phase I by providing the balance of the Phase I funding request and the additional funding required for Phase II.

The derivation of this year's request of \$4.914 million is as follows:

Phase I Funding Request:	\$ 3,500,000
Actual Phase I Funds Received:	\$ 2,086,000
Difference:	\$ 1,414,000
 Phase II Funding Request:	 \$ 3,500,000
 Total Request:	 \$ 4,914,000

It should be noted that the total net County cost received by Public Works for the Property Rehabilitation/NAT and Code Enforcement Programs for Fiscal Year 2007-08 is \$5.747 million, which includes the \$2.086 million received for Phase I. For Fiscal Year 2008-09, the net County cost allocation was reduced by \$61 thousand to \$5.686 million due to mandatory net County cost curtailments. The total program allotment would then be \$10.6 million (\$5.686 million + \$4.914 million). This is the necessary amount for active, immediate, and successful code enforcement and property rehabilitation programs. These programs are wholly dependent on continuous annual funding.

PRE-COUNTY IMPROVEMENT

We are requesting an additional allocation of \$365,000 in net County cost for formation studies and post formation support costs (questions, complaints, lawsuits) for the following eight potential County Improvements:

- Kingside Drive Road Conversion (SD1)
- East Loma Alta Drive Sewers (SD5)
- Braeburn Road Sewers (SD5)
- Country Club Drive Sewers (SD5)
- Second Street Road Conversion (SD5)
- Edgecliff Lane Sewers (SD5)
- Calmia Road Sewers (SD5)

Public requests for these services for upgrades and maintenance increase as private infrastructure continues to age. Each year, Public Works requests additional net County cost funding for pending County Improvements. Delays caused by lack of funding result in increased project costs due to inflation.

GRAFFITI ABATEMENT PROGRAM

Current funding for this program consists of \$4,570,000 from Public Works' Road and Flood Funds and \$1,045,000 from net County cost allocations. We are requesting additional net County cost funding of \$160,000 to cover additional service requests from your Board for the following projects:

- Graffiti Zero-Tolerance Zones in Florence/Firestone for the Alleyways Pilot in Supervisorial Districts 1 and 2
- South Whittier Graffiti Tracker Pilot in Supervisorial District 1
- Establishment of a Zero-Tolerance Zone in the unincorporated area of Supervisorial District 3

The additional net County cost funding will allow Public Works to enhance graffiti abatement services to the community.

If you have any questions, please contact me or your staff may contact Dawnna Lawrence at dlaw@dpw.lacounty.gov or (626) 458-5992.

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cc: Chief Executive Office
Executive Office